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WE LACK BASIC INFORMATION TO DETERMINE THE TRADE BARRIERS WE FACE IN CHINA. MOST OF CHINA'S TRADE LAW AND REGULATIONS REMAIN NEBU.

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INCOMING
TELEGRAM

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THE ANNUAL TRADE PLAN HAS NEVER BEEN RELEASED, EVEN AFTER THE FACT. THIS PLAN DETERMINES MOST OF CHINA'S IMPORTS. WITHOUT ACCESS TO THIS INFORMATION WE HAVE NO WAY OF KNOWING WHETHER CHINA IS GIVING US PRODUCTS FAIR ACCESS TO THE CHINA MARKET.

US EXPORTERS FREQUENTLY COMPLAIN THAT CHINA'S IMPORT SUBSTITUTION RULES ARE A MAJOR PROTECTIONIST BARRIER. THESE RULES HAVE NEVER BEEN PUBLICLY RELEASED. THEY ARE SUBJECT TO FREQUENT CHANGE WITHOUT NOTIFICATION.

US FIRMS ALSO FIND IT DIFFICULT TO OBTAIN ADEQUATE INFORMATION ABOUT MAJOR INVESTMENT PROJECTS IN CHINA. THE JAPANESE HAVE DEVELOPED A NETWORK OF RELATIONSHIPS WITH CHINESE IMPORTERS THAT WORKS TO THE DISADVANTAGE OF U.S. FIRMS. LILLEY

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